

**DEPARTMENT OF CALIFORNIA HIGHWAY PATROL**

**COMMAND AUDIT OF  
WINTERHAVEN AREA**



**FINAL REPORT**

**FEBRUARY 19, 2010**

**M e m o r a n d u m**

Date: February 19, 2010

To: Office of the Commissioner  
Attention: Commissioner J. A. Farrow

From: **DEPARTMENT OF CALIFORNIA HIGHWAY PATROL**  
Office of the Assistant Commissioner, Inspector General

File No.: 005.9968.A13709.010

Subject: FINAL 2009 COMMAND AUDIT REPORT OF WINTERHAVEN AREA

In accordance with the Institute of Internal Auditors, *International Standards for the Professional Practice of Internal Auditing* §2440, issued by the Institute of Internal Auditors, Government Code §13887(a)(2), and the California Highway Patrol Audit Charter, I am issuing the 2009 Command Audit Report of the Winterhaven Area. The audit focused on the command's Driving Under the Influence and Asset Forfeiture Programs.

The audit revealed the command has adequate operations. However, one issue was observed. This report presents a suggestion for management to improve on its operations. In doing so, operations would be strengthened and the command would ensure it is operating in compliance with policies and procedures. We have included our specific finding, recommendation, and other pertinent information in the report. The Winterhaven Area agreed with the finding and plans to take corrective action to improve its operations.

Winterhaven Area will be required to provide a 30 day, 60 day, six month, and one year response on its corrective action plan implementation, if necessary. If identified issues are resolved and addressed during any phase of the above reporting period, no future action is required on their behalf. Also, the Office of Inspections plans on conducting a follow-up review within one year from the date of the final report.

Additionally, in accordance with the *International Standards for the Professional Practice of Internal Auditing* and Government Code §13887(a)(2), this report, the response, and any follow-up documentation is intended for the Office of the Commissioner; Office of the Assistant Commissioner, Field; Office of the Assistant Commissioner, Inspector General; Office of Legal Affairs; Office of Inspections; Border Division; and the Winterhaven Area. Please note this report restriction is not meant to limit distribution of the report, which is a matter of public record pursuant to Government Code §6250 et seq.

*Safety, Service, and Security*

Office of the Commissioner

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Furthermore, in accordance with the Governor's Executive Order S-20-09 to increase government transparency, the final audit report, including the response to the draft audit report, will be posted on the CHP's internet website, and on the Office of the Governor's webpage, located on the State's Government website.

The Office of Inspections would like to thank Winterhaven Area's management and staff for their cooperation during the audit. If you need further information, please contact Captain Ernie Sanchez at (916) 843-3160.

A handwritten signature in black ink, appearing to read "M. C. A. Santiago". The signature is fluid and cursive, with the last name "Santiago" being more prominent.

M. C. A. SANTIAGO, CIG  
Assistant Commissioner

cc: Office of the Assistant Commissioner, Field  
Border Division  
Winterhaven Area  
Office of Legal Affairs  
Office of Inspections, Audits Unit

*BUSINESS, TRANSPORTATION AND HOUSING AGENCY  
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL*

*COMMAND AUDIT OF WINTERHAVEN AREA*

*OFFICE OF INSPECTIONS, AUDITS UNIT*

*FEBRUARY 19, 2010*

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# EXECUTIVE SUMMARY

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The Commissioner has the responsibility, by statute, to enforce laws regulating the operation of vehicles and use of highways in the State of California and to provide the highest level of safety, service, and security to the people of California. Consistent with the California Highway Patrol's (CHP) 2009 Audit Charter, the Office of the Commissioner directed the Office of Inspections, Audits Unit, to perform an audit of the Winterhaven Area.

The CHP's 2008-2010 Strategic Plan highlights the mission statement which includes five broad strategic goals designed to guide the CHP's direction. One strategic goal is to continuously look for ways to improve the efficiency and/or effectiveness of departmental operations.

The objective of the audit is to determine if the command has complied with operational policies and procedures regarding the Driving Under the Influence (DUI) Cost Recovery and Asset Forfeiture Programs. Additionally, this audit will provide managers with reasonable, but not absolute, assurance that departmental operations are being properly executed. The audit period was from January 1, 2008 through December 31, 2008. The audit included a review of existing policies and procedures, as well as, the examining and testing recorded transactions, to determine compliance with established policies, procedures, and good business practices. The audit field work was conducted from February 3 – 5, 2009.

Sample selection for this audit was primarily random. However, if a judgmental sample was necessary, the auditor selected accordingly. Whenever possible, the use of risk assessment was used to select a sample containing the highest probability of risk to the command.

Based on the review of the Winterhaven Area's operations, this audit revealed the Winterhaven Area has complied with most operational policies. However, an issue was observed. The following is a summary of the issue:

## **DUI Cost Recovery Program**

- The command did not always properly complete the Incident Response Reimbursement Statements (CHP 735).

Please refer to the Finding and Recommendation section for detailed information.

According to the command's records, the command has not initiated or participated in any asset forfeiture cases since 2003.

# AUDIT REPORT

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## INTRODUCTION

To ensure the California Highway Patrol's (CHP) operation is efficient and/or effective and internal controls are in place and operational, the Office of the Commissioner directed the Office of Inspections, Audits Unit, to perform an audit of the Winterhaven Area.

The CHP's 2008-2010 Strategic Plan highlights the mission statement which includes five broad strategic goals designed to guide the CHP's direction. One strategic goal is to continuously look for ways to increase the efficiency and/or effectiveness of departmental operations. This audit will assist the CHP in meeting its goal.

## OBJECTIVE AND SCOPE

The objective of the audit is to determine if the command has complied with operational policies and procedures regarding the Driving Under the Influence (DUI) Cost Recovery and Asset Forfeiture Programs that provide managers with reasonable, but not absolute, assurance departmental operations are being properly executed. The audit period was from January 1, 2008 to December 31, 2008. This audit included the review of existing policies and procedures, as well as, the examining and testing recorded transactions, to determine compliance with established policies, procedures, and good business practices. The audit field work was conducted from February 3 - 5, 2009.

## METHODOLOGY

Under the direction by the Offices of the Commissioner, each command was randomly selected to be audited regarding its DUI Cost Recovery and Asset Forfeiture Programs. Sample selection of areas to be audited was primarily random or judgmental. Whenever possible, the use of risk assessment was used to select a sample containing the highest probability of risk to the command.

There were no prior audit reports or findings of this command.

## OVERVIEW

**DUI Cost Recovery Program:** The command was compliant with most state laws and departmental policies and has adequate internal controls regarding its Reimbursable Services – DUI Cost Recovery Program. However, the command did not always properly complete the Incident Response Reimbursement Statements (CHP 735).

**Asset Forfeiture Program:** According to the command's records, the command has not initiated or participated in any asset forfeiture cases since 2003.

This audit revealed the command has adequate operation and only one issue was discovered, which if left unchecked could have a negative impact on the command and CHP operations. This issue should be addressed by management to maintain the command's compliance with appropriate laws, regulations, policies, and procedures. The finding and appropriate recommendation are presented in this report.

As a result of changing conditions and the degree of compliance with policies and procedures, the efficiency and effectiveness of operations change over time. Specific limitations may hinder the efficiency and effectiveness of an otherwise adequate operation include, but are not limited to, resource constraints, faulty judgments, unintentional errors, circumvention by collusion, fraud, and management overrides. Establishing compliant and safe operations and sound internal controls would prevent or reduce these limitations; moreover, an audit may not always detect these limitations.



# FINDING AND RECOMMENDATIONS

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## DRIVING UNDER THE INFLUENCE (DUI) COST RECOVERY

**FINDING 1:**            **The command did not always properly complete the Incident Response Reimbursement Statements (CHP 735).**

**Condition:**            Seventeen DUI Cost Recovery files were reviewed. Within these 17 files, 11 or 65% of the Incident Response Reimbursement Statements (CHP 735) did not record the date the CHP 735 was forwarded to the Fiscal Management Section.

**Criteria:**            Government Code Section 13403(a)(5) and (6) says, one of the elements of a satisfactory system of internal accounting and administrative control shall include, but is not limited to, an established system of practices to be followed in performance of duties and functions in each of the state agencies; and an effective system of internal review.

Highway Patrol Manual 11.1, Administrative Procedures Manual, Chapter 20, DUI Cost Recovery Program, paragraph 4(b) states, "Completion of CHP 735, Incident Response Reimbursement Statement. The cost recovery criterion is separated into two separate sections on the CHP 735, Incident Response Reimbursement Statement: Section A or Section B. Section A shall be completed when the billing is based on arrest. Section B shall be completed when the billing is based on conviction. Forward only those forms which meet ALL the criteria in either Section A or Section B; only one section shall be completed per case.

(1) Completed CHP 735s, Incident Response Reimbursement Statements, based on Section A (refer to Annex B) shall be forwarded to Fiscal Management Section (FMS), Reimbursable Services Unit, within ten business days of one of the following dates:

(a) The date BAC results of .08% or greater are received.

(b) The date BAC results of .04% or greater are received for a commercial driver.

(2) Completed CHP 735s, Incident Response Reimbursement Statements, based on Section B (refer to Annex C) shall be forwarded to FMS, Reimbursable Services Unit, within ten business days of the notification of a conviction of CVC Sections 23152, 23153, or greater offense as a result of one of the following:

(a) In the case of a refusal.

(b) An arrest for drugs only.

(c) A BAC of less than .08%.”

**Recommendation:** The command should comply with departmental policy related to the recording of the date CHP 735 forms are forwarded to FMS for processing.

## CONCLUSION

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Based on the review of the command's operation, this audit revealed the command has adequate operations and only one issue was observed. This report presents a suggestion for management to improve on some of its operations. In doing so, operations would be strengthened and the command would operate in accordance with departmental policies and procedures.

# **ANNEX**

## **A**

**M e m o r a n d u m**

Date: January 14, 2010

To: Office of Inspections

From: **DEPARTMENT OF CALIFORNIA HIGHWAY PATROL**  
Winterhaven Area

File No.: 620.12233

Subject: DRAFT 2009 COMMAND AUDIT RESPONSE

This memorandum is intended to serve as the written response to the draft command audit report of the Winterhaven Area as required by the Office of Assistant Commissioner, Inspector General's memorandum dated January 11, 2010.

The Winterhaven Area accepts the Driving Under the Influence (DUI) Cost Recovery and Asset Forfeiture Programs audit report and agrees to address and remedy the identified error.

**FINDING REQUIRING FOLLOW-UP**

**Finding 1 - Agree.** A number of Incident Response Reimbursement Statements (CHP 735) did not record the date they had been forwarded to the Fiscal Management Section. This omission was brought to the attention of Area personnel responsible for the processing of CHP 735s. Per the audit reports recommendation, personnel were directed to follow policy contained in HPM 11.1, Administrative Procedures Manual, Chapter 20, DUI Cost Recovery Program, to ensure all CHP 735s are accurately completed and submitted in a timely fashion.

Questions regarding this response may be directed to Lieutenant John Swaim by telephone at (760) 572-0294 or via email at [jswaim@chp.ca.gov](mailto:jswaim@chp.ca.gov).



J. W. SWAIM, Lieutenant  
Commander

cc: Border Division



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